

INFORMATION PAPER: Gifts Between Employees

DAJA-SC
3 February 2003

SUBJECT: Gifts Between Employees

1. **PURPOSE.** To summarize the Standards of Ethical Conduct and Joint Ethics Regulation rules concerning gifts between employees.

2. **FACTS.**

a. Gifts to Superiors -- The General Rule (5 C.F.R. § 2635.302).

(1) Employees may not give, or solicit contributions for, a gift for an official superior.

(2) Superiors may not accept gifts from employees who receive less pay, unless there is no subordinate-official superior relationship and there is a personal relationship justifying a gift.

(3) "Gift" includes any gratuity, favor, entertainment, hospitality, or other item having monetary value. It does not include: modest refreshments (coffee and donuts), greeting cards and items with little intrinsic value (plaques, certificates, and trophies intended solely for presentation). ***Gifts between employees may not be purchased with appropriated funds or Government credit cards.***

b. Exceptions:

(1) **On an occasional basis**, gifts may be given to superior when:

(a) Items with aggregate market value of \$10 or less per occasion (e.g., a birthday gift or a souvenir gift upon return from a vacation, but NO CASH).

(b) Food/refreshments shared in office among several employees.

(c) Personal hospitality at an employee's home similar to hospitality provided by employee to personal friends.

(d) Customary gifts given in connection with the receipt of hospitality (e.g., bottle of wine for dinner host; flowers for hostess).

(2) **On special, infrequent occasions**, subordinates may give a gift to a superior "appropriate to the occasion."

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(a) Infrequently occurring occasions of personal significance such as marriage, illness, birth or adoption of a child, or death of family member (does not include a promotion unless the employee is also being transferred out of the chain of command).

(b) Occasions that terminate subordinate-official superior relationship, such as retirement, resignation or transfer

(c) Value of gift **may not exceed \$300** from one "donating group." (But cost of food, refreshments, and entertainment provided to superior and his personal guests to mark occasion is not included in \$300 aggregate limit) In very rare cases, the gift may exceed \$300 in value, but must still be "appropriate to the occasion," and **"uniquely linked to the departing employee's position or tour of duty and commemorates the same."** Your organization's Ethics Counselor should approve a gift of over \$300, and also decide how to define appropriate "donating groups."

(d) An employee may not contribute as part of more than one donating group. If he or she does, the different groups become one donating group.

c. An employee may solicit voluntary contributions of a nominal amount from fellow employees **only** for the following:

(1) The occasional sharing of food and refreshments in the office; or

(2) The gift for a special, infrequent occasion.

(3) DoD Rule: Solicitations may not exceed the nominal amount of \$10; however, employees are free to give more than \$10. Any donation must be completely voluntary.

d. Gifts from an employee's spouse to another employee's spouse will be considered a gift between employees subject to the above rules, unless there is an independent basis for the gift to the spouse (e.g., a relative or a previous, long-standing friendship).

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e. Proper disposition of improper gift – official superior must either return the gift or pay fair market value for the gift to the donating group.

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